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ABSTRACT

The purpose of this project was to conduct a complete survey of the various states to determine the existence and content of state mandates and competency statements as they relate to economic literacy. The data collection procedure involved surveying the 50 state departments of education to determine the existence of mandates and/or competency statements for economic literacy. The survey was based on the following definition of mandate: any legislative or state board of education ruling requiring the teaching of economics in the curriculum. Mandates were classified as emphasizing either economic education, consumer education, or the free enterprise system. Data collection spanned the period November 1980 to June 1981. Results are presented primarily in table form, including (1) a state-by-state summary of the status of mandates, competencies, and pertinent comments; and (2) a frequency list of economic concepts found in 13 selected state frameworks, competency statements, and courses of study. A 16-point summary of findings reveals that 24 states have a mandate requiring economic instruction of some kind; mandates tend to result from cooperative efforts of the business community, state boards of education, and state legislatures; and mandates are most common in southern states and least prevalent in the northeast and midwest. (Author/AV)

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A STUDY OF STATE MANDATES AND COMPETENCIES FOR ECONOMICS EDUCATION

Dennis C. Brennan
Ronald A. Banaszak
Project Co-Directors

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ACKNOWLEDGEMENTS

The research contained in this report would not have been possible without the help and cooperation of many individuals. Prime among these individuals have been the Chairman of the Board, Jaquelin H. Hume, and President, Charles A. Foster, Jr., of the Foundation for Teaching Economics. Without their concern and financial support, this research could not have been conducted. Their involvement in this project is one more manifestation of their commitment to the field of economics education.

Many others in state departments of education and state councils for economic education helped by completing questionnaires and participating in telephone interviews. It is needless to say that without their cooperation, it would have been impossible to collect the data reported here.

NOTE: A report containing the phrasing of all state mandates is available from the Center for the Development of Economics Education for $5.00. Request publication 81-11.

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WHY THE STUDY WAS UNDERTAKEN

In recent years there has been a general increase in interest about and enthusiasm for economics education. Many different activities reflect this interest. The number of students receiving economics instruction in today's elementary and secondary schools is on the increase. Numerous teacher training courses and workshops are offered to assist teachers to more effectively deal with economics content. The existence of a national organization devoted to economics education, the Joint Council on Economics Education, its 49 state affiliated councils and over 200 local centers, is further evidence of interest.

Another important expression of interest is the passage of state mandates requiring economics instruction. Since state mandates have the power of law, they could be a powerful force influencing the economics education movement. In addition, some states have competency requirements which include economics content. These competency statements also influence economics education. Yet, little formal research has been done to analyze the content of state mandates and competency statements.

There is clearly a need for a more thorough understanding of mandates and competencies as they relate to economics instruction. A better understanding would be useful to the entire economics education movement. Such an understanding would assist curriculum developers as they create economics materials. Teacher trainers would be guided in selection of content. Change agents would have a better understanding of how to use existing mandates and competencies more effectively to promote economics instruction.

Procedure

The purpose of this project was to conduct a complete survey of the various states to determine the existence and content of state mandates and competency statements as they relate to economic literacy.

The data collection procedure involved surveying the fifty state departments of education to determine the existence of a mandate and/or competency statements for economic literacy. Data collection covered a time span from November, 1980, to June, 1981. Because of the rapidly changing nature of trends in education, it often is difficult to obtain a precise fix on any given situation. The data presented in this study is based on the most accurate information available at this time.

Initial contact was made by mail questionnaire to the social studies supervisors of the various states. The questionnaire requested information on the existence of a mandate and/or competency statements for economics instruction, a copy of the mandate and/or competency statements, and a copy of any state framework or course of study prepared by the state department of education dealing with economics. A follow-up questionnaire was forwarded to non-respondents. Telephone contact was made to clarify data and to seek additional information as needed. Through the questionnaire and telephone communication, the Center was able to collect the required data from the various state departments of education. In a few cases the Center relied on the state council for economic education to obtain the data. It was only through the cooperation of those who responded that the data could be collected.

This study is presented in four parts:

1. The National Status of State Mandates and Competencies for Economic Instruction,
2. Content Analysis of Legislative Mandates,
3. Analysis of State Frameworks, Courses of Study, and Competency Statements, and
4. A Summary of Findings.

THE NATIONAL STATUS OF STATE MANDATES AND COMPETENCIES FOR ECONOMIC INSTRUCTION

For purposes of this study, a mandate is defined as any legislative or state board of education ruling requiring the teaching of economics in the curriculum. Such mandates may either be classified as a free enterprise, an economic education, or a consumer education mandate. In some states a combination of these exists.

The three types of mandates can be distinguished by their intent. The purpose of a free enterprise mandate is to promote the benefits of the free enterprise system. Economic education mandates are designed to promote a positive understanding of the American economy, how it functions, and how the individual can function effectively within our economy as a consumer, worker or voter. Consumer education mandates are designed to improve consumer survival skills.

A competency is a level of mastery that a student is expected to demonstrate by a particular grade level. The assessment of mastery usually is determined by a test. In recent years competency tests increasingly have become a prerequisite for high school graduation.

Table 1 presents a summary of the status of mandates and competencies for economics instruction in the various states. This table is constructed on information available as of June 12, 1982. The data shows that twenty-four states (Alabama, Arizona, California, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Wisconsin and Wyoming) currently have a mandate for economics instruction in some form. Seven states (Florida, Idaho, North Carolina, Oregon, Texas, Virginia and Wyoming) currently have competencies or require local districts to develop competencies for economic literacy. Georgia and Tennessee are in the process of developing such competencies.

The research indicates that mandates for economic instruction tend to be the result of the cooperative efforts of the business community, state boards of education, and state legislators. Typically, those wanting a mandate work through the education committee of the state legislature to either introduce a separate bill mandating instruction in economics or to amend the existing school code to require economics instruction.

In some states where no mandate exists, legislatures have taken other actions to promote economics education. The Legislatures of Indiana and Kansas annually appropriate money to promote economics education. The Michigan and Ohio Legislatures have passed resolutions strongly urging instruction in consumer economics. Nevada requires a course in economics for the re-certification of teachers. West Virginia has established a task force to study the social studies curriculum 7–12, which may lead to a mandate for economics education. And, the Legislatures of New Mexico and Iowa annually consider the possibility of passing a mandate.

Specific forces can be identified which promote the passage of mandates. These push factors are the current interest in economics as expressed in the media, the activity of business groups lobbying for mandates in economics education, and the competency based education movement. When economic concepts are included in state competency based assessments, states may be viewed as mandating instruction in economics. As more states move in this direction, it is likely that increased emphasis will be placed on economics instruction.

Specific forces can be identified which work against or pull away from legislation requiring economics. These pull factors include a historical opposition to state mandates of any kind, strong local autonomy by school districts, opposition from other social science disciplines who either want a mandate for their field or none at all, and the lack of funds to implement and monitor a mandate. The sense of strong local autonomy appears to be the strongest force working against additional mandates. Because of strong local autonomy in Colorado, Indiana, Iowa, Massachusetts, Montana, New Hampshire, New Jersey, Vermont and Washington, a mandate in these states is very unlikely.

Mandates for economics instruction are most common in the south, where every state with the exception of Arkansas has a mandate of some kind for economics instruction. Enactment of mandates is least prevalent in the northeast and midwest. (See Figure 1, page 13)

Table 2 presents an analysis of the twenty-four states having mandates requiring instruction in economics. Eighteen states have a legislative mandate, and seven states have a state board ruling requiring economics instruction. Alabama has both a legislative and state board mandate. Twelve states have a free enterprise mandate, ten an economic education mandate, and seven states have a consumer education mandate. Alabama and Georgia have both a free enterprise and economic education mandate, while Delaware, Florida and Tennessee have a combined free enterprise and consumer education mandate. Seven states (Alabama, Arizona, Georgia, Louisiana, Oregon, South Carolina and Tennessee) require a separate course in economics. This required course is generally for one-half unit and taught at the eleventh or twelfth grade. Oregon and Georgia require a one unit course for graduation. Seventeen states require that economics be infused into the curriculum.

Table 1

A SUMMARY TABLE ON THE STATUS OF MANDATES AND COMPETENCIES FOR ECONOMICS INSTRUCTION IN THE VARIOUS STATES

STATE	MANDATES	COMPE-TENCIES	COMMENTS
Alabama	Yes—State Board/ Statute 1971	No	½ unit economics required for all seniors. ½ unit consumer economics one of four options available in grade 9. State Board strongly urges each school system to develop within the existing curriculum an economics scope and sequence K–12. A course in economics is required for teacher certification.
Alaska	No	No	
Arizona	Yes—Statute 1971		½ unit on the essentials and benefits of the free enterprise system is required for graduation. *Free Enterprise Syllabus* contains recommended content.
Arkansas	No	No	
California	Yes—Statute (Calif. Ed. Code) (1976)	No	Economic content required by California Education Code. Section 51210—". . . instruction shall provide a foundation for understanding the history, resources, development and government of California and the United States of America; the development of the American economic system, including the role of entrepreneur and labor; man's relations to his human and natural environment; eastern and western cultures and civilizations; and contemporary issues." Infusion within the social sciences K–12. A bill has been introduced to amend Section 51210 of the Education Code to define the American economic system as the free enterprise system. *History/Social Science Framework for California Public Schools* suggests basic economic concepts for economics.
Colorado	No	No	Strong local autonomy. State Department reports that a mandate is very unlikely.
Connecticut	Yes—Statute 1979	No	P.A. 79-128 Sec. 10-16 b—"Social Studies, including, but not limited to, citizenship, economics, geography, government and history." Economics added in 1979 as part of the State Board's legislative package. Infusion K–12.
Delaware	Yes—Statute	No	An instructional unit of free enterprise must be taken no later than 8th grade. 45 hours of consumer education 7–10. (Legislative resolution)
Florida	Yes—Statute 1974	Yes	Free Enterprise and Consumer Education Act of 1974—"The public schools shall each conduct a free enterprise and consumer education program in which each student will participate. K–12 infusion. Minimal instructional objectives have been established.
Georgia	Yes—State Board of Education	Now being developed	Course in the principles of economics/business/free enterprise required for graduation. Specific learner outcomes are in the developmental stage.
Hawaii	No	No	Social studies curriculum tends to have a strong social and cultural orientation.
Idaho	Yes—State Board	Yes	Consumer education K–12. *Consumer Economics Guide for Idaho Public Schools* suggests competencies.
Illinois	Yes—Statute	No	Consumer education 9–12. Prior to 1980, consumer education K–12.
Indiana	No	No	While there is no mandate for consumer or economic education, legislative support is strong. The Legislature directly funds consumer education (K–12) with $40,000 annually. The state mandates that in grades 6–12, students must take courses in Indiana and the federal Constitutions including political, economic and social aspects. The other half of the federal Constitution course is an elective, one of which may be psychology, sociology, anthropology or economics. Many local districts require economics. There is a general tendency in Indiana not to have many mandates. Local autonomy is strong.

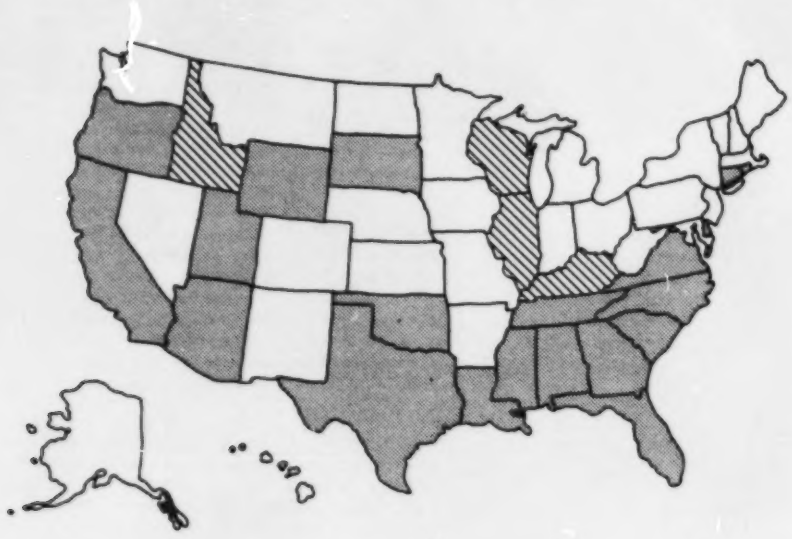
STATE	MANDATES	COMPE-TENCIES	COMMENTS
Iowa	No	No	For two years, the Legislature has attempted to pass a mandate requiring one semester of economics. Districts have strong local autonomy.
Kansas	No	No	In compliance with House Concurrent Resolution 1141 of the 1972 Legislative session, "A study of economic/consumer education in Kansas schools" was completed. The Legislature has allocated $50,000 per year for the purpose of upgrading economic/consumer education in the state. The funds have been used to establish co-ops for districts to cooperate in conducting workshops and improving the flow materials for economic/consumer education. As a result of the program, many districts have implemented one-semester economics or consumer education as a requirement for graduation. The State Department reports that the program has been well received by teachers, administrators and Legislators. It has been recommended to the Legislature that all Kansas teachers to be required to take a course in economics or consumer economics in their preparation program.
Kentucky	Yes—Statute 1974	No	Consumer education K–12
Louisiana	Yes—Statute 1976	No	½ unit required for graduation. Statute—". . . that all public high schools shall give instruction on the essentials and benefits of the free enterprise system in which each student will participate in as a prerequisite to graduation." Taught in 11th or 12th grade. A course outline is prescribed by the State Department of Education.
Maine	No	No	State Department of Education is in the process of developing basic competencies for the social studies which will include economics.
Maryland	No	No	Contrary to previous publications, there is no required economics course.
Massachusetts	No	No	Strong local autonomy.
Michigan	No	No	Legislature strongly urges the teaching of consumer economics and has ordered the Michigan Department of Education to prepare a manual to assist local districts in implementing consumer education.
Minnesota	No	No	Personal, Family and Community Economics Task Force (1980) has recommended that the State Board of Education require each Minnesota school district to identify personal, family and community economic learner outcomes that students should be able to demonstrate before graduation.
Mississippi	Yes—Statute 1976	No	Infusion 1–12 Statute: "The purpose of this act is to insure the development of a comprehensive economic education program of grades one through twelve." Intent of the legislation is to provide not a mandated course but a well-integrated, multi-disciplinary, free enterprise, and economic education program in grades one through twelve. *Prescription for Economic Literacy in Mississippi's Schools* is available from State Department of Education.
Missouri	No	No	A basic essential skills test is administered in grade 8—includes economics objective.
Montana	No	No	Strong local autonomy
Nebraska	No	No	A strong interest in promoting economics exists at the State Department.
Nevada	No	No	Economics education is one of five areas required for re-certification of *all* teachers. A 1973 statute requiring instruction in "thrift" is no longer enforced.
New Hampshire	No	No	Interest for a mandate exists at the State Department. However, strong local autonomy may oppose it.

STATE	MANDATES	COMPE-TENCIES	COMMENTS
New Jersey	No	No	No law currently exists requiring economics education. The State Administrative Code for Education has a broad based objective that students be taught to be intelligent consumers and producers. Further, the code recommends that consumer education be infused into the total curriculum. However, local district option prevails and each district writes their own curriculum. An Executive Order in 1973 established an Advisory Council on Economics in Career Education. The Council developed a master plan on economics in career education; however, the legislation to enact the plan died in 1975.
New Mexico	No	No	Each year the Legislature discusses the issue but has yet to pass a mandate. Consumer economics is included on the high school proficiency examination.
New York	No	No	Economics is being infused into the state social studies program. Economics questions are included in the statewide Regent's Testing Program.
North Carolina	Yes—Statute 1975	Yes	Instruction in the free enterprise system at the high school level, its history, theory, foundation, and the manner in which it is actually practiced. Economics is included in the competency goals and performance indicators for the state. A 5-year plan was approved by the State Board of Education. The plan strongly encourages the teaching of economics by providing for staff development. Emphasis is as follows: Grades 4–6 (1979–80); K–3 (1980–81); junior high school (1981–82); and senior high school (1982–83).
North Dakota	No	No	A minimum curriculum statute exists that encourages the teaching of economics and the free enterprise system.
Ohio	No	No	A resolution passed by the Legislature in 1969 strongly urged the teaching of consumer economics (K–adult). In 1980, State Department of Education hired an economic education consultant to conduct research into the status of economic education in Ohio schools. As yet, it is unknown how the Department will respond to the research results which point to an absence of K–12 economic education in the schools.
Oklahoma	Yes—Statute 1974	No	Provides for the vertical integration of economic education with the other social science disciplines. (Infusion K–12) The *Economic Education Curriculum Guide* was developed by the State Department of Education to aid districts in implementing the mandate.
Oregon	Yes—State Board of Education 1980	Yes	A graduation requirement beginning with the class of 1984. One unit (one year) in personal finance and economics will be required. Each local district decides at what grade level (9–12) to place the course. Competencies are determined by individual districts.
Pennsylvania	No	No	Economics was mandated in 1964 and statute repealed in 1969 because of pressure from other disciplines. State Board requires that social studies be taught from an interdisciplinary approach, which includes the infusion of economics. However, this is not monitored. Consumer education is encouraged to be taught in all subject areas in addition to the social studies.
Rhode Island	Yes—Statute 1979	No	Consumer Education 8–12 (infusion)
South Carolina	Yes—State Board of Education	No	½ unit of economics required for graduation. It is permissable to teach it in either ninth, tenth, eleventh or twelfth grade. It is recommended it be taught in the eleventh or twelfth grade.
South Dakota	Yes—Statute 1979	No	In 1979, the Legislature (H.B. 1245) mandated the teaching of free enterprise. The original bill required a separate free enterprise course. As amended, the Legislation calls for instruction in the free enterprise system. "All public and non-public schools shall provide instruction on the essentials and benefits of the free enterprise systems." Separate course or infusion is at the discretion of the local district. *South Dakota Economics/Free Enterprise Curriculum Guide* is available to guide local districts.

STATE	MANDATES	COMPETENCIES	COMMENTS
Tennessee	Yes—Statute 1974	Now being considered	½ unit of combined free enterprise system and consumer economics required for graduation. Students may meet the requirement by participating in Junior Achievement or distributive education. The State Department is in the process of studying and development social studies objectives, with economics being one part. There are over 90 people on the committee. To date, over 150 objectives for the social studies have been proposed.
Texas	Yes—State Education Code	Yes (Suggested)	Texas Education Code: "Require all Texas high schools to give instruction on the essentials and benefits of the American economic system effective September 1, 1978." How: incorporated into the required courses on American history, world history studies or world geography studies, and American government. An elective course on the free enterprise system for ½ unit shall be made available. Economic education will be infused in all schools K–12 by 1981–82 school year. Economics and free enterprise grade 12 will be mandatory by 1983. Texas Education Agency has published suggested student competencies in economics for K–12.
Utah	Yes—Statute 1975 Resolution 1977	No	Statute 1975: "All public high schools shall give instruction on the essentials and benefits of the free enterprise system." Joint Resolution 1977—directed the State Board of Education to offer a course in free enterprise. State Board requirement: "Each high school must offer "America's Social and Economic Problems" to students who desire to take it.
Virginia	Yes—Board of Education Req.1973	Yes	State Board requires one unit of instruction on the free enterprise system within the required course on Virginia and United States government. A publication, *The American Free Enterprise System*, was designed to assist local school divisions in implementing this requirement. By 1981, graduating students shall demonstrate mastery of minimum competencies in citizenship. Specific competencies are to be determined by local school divisions. Six credit hours of economics are required for certification of social studies teachers at the secondary level; three credit hours of economics are required of elementary teachers teaching social studies.
Vermont	No	No	The teaching of economics is being promoted by the "Econ Trek" project which is an integrated program of workshops and teaching materials with the objective to provide knowledge and understanding of economic concepts and issues, and to encourage teachers to work with those concepts into lesson plans and classroom teaching.
Washington	No	No	Economic education progressing well without a mandate. State Department is of the opinion a mandate might deter this progress.
West Virginia	No	No	Recently, a 36-member task force has been appointed to look at social studies 7–12. This independent group will look at the following: 1) inclusion of citizenship training, 2) inclusion of U.S. history, and 3) teaching of economics and consumer education. The task force will develop statements of competencies for each of these areas. It is anticipated that economics will be mandated as a separate course or infused into other social studies courses.
Wisconsin	Yes—Legislature 1974	No	Consumer economics—infusion K–12. Department of Public Instruction has published *Descriptors for Economic Understanding* to act as a guide for infusion of economic concepts in the K–12 curriculum.
Wyoming	Yes—Policy of State Board 1980	Yes	Minimum requirements for a high school diploma—"Demonstrated ability to read, write and compute with proficiency, and an understanding of the process and structure of democratic governance and our free enterprise system." Local school districts are required to establish their own standards of proficiency and program requirements for graduation.

Figure 1

GEOGRAPHIC DISTRIBUTION OF STATES MANDATING ECONOMIC INSTRUCTION



FREE ENTERPRISE OR ECONOMIC EDUCATION MANDATE

CONSUMER EDUCATION MANDATE

Table 2

AN ANALYSIS OF 24 STATE MANDATES REQUIRING INSTRUCTION IN ECONOMICS

	LEGISLATIVE	STATE BOARD	FREE ENTERPRISE	ECONOMIC EDUCATION	CONSUMER EDUCATION	INFUSION	REQUIRED COURSE	
Alabama	*	*	*	*			*	½ unit economics
Arizona	*		*				*	½ unit Essentials of the Free Enterprise System
California	*			*		*		
Connecticut	*			*		*		
Delaware	*		*		*	*		
Florida	*		*		*	*		
Georgia		*	*	*			*	1 unit Principles of Econ/Business/Free Enterprise
Idaho		*			*	*		
Illinois	*				*	*		
Kentucky	*				*	*		
Louisiana	*		*				*	½ unit Free Enterprise System
Mississippi	*			*		*		
North Carolina	*		*			*		
Oklahoma	*			*		*		
Oregon		*		*			*	1 unit Personal Finance and Economics
Rhode Island	*			*		*		
South Carolina		*		*			*	½ unit Economics
South Dakota	*		*			*		
Tennessee	*		*		*		*	½ unit Free Enterprise System and Consumer Econ.
Texas	*			*		*		
Utah	*		*			*		
Virginia		*	*			*		
Wisconsin	*				*	*		
Wyoming		*	*			*		

CONTENT ANALYSIS OF LEGISLATIVE MANDATES

Legislative mandates for economics instruction vary from specific pieces of legislation, such as in Florida, Louisiana and Oklahoma (see Appendix), to statements contained within other legislation, such as in California, Connecticut and North Carolina. Table 3 presents a content analysis of legislative acts requiring economic or free enterprise instruction.

Within these mandates the free enterprise system typically is defined as "an economic system characterized by private or corporate ownership of capital goods, by investments that are determined by private decision rather than by state control, and by prices, production and the distribution of goods that are determined in a free manner."

Typically, economic education mandates call for a positive understanding of the American economic system and how the individual can function effectively within our economy as a consumer, worker and voter. The Louisiana Free Enterprise Act and the Oklahoma Economic Education Act provide models of comprehensive legislation requiring instruction in economics.

Among the unique characteristics of legislative mandates, the Oklahoma and Texas legislation provides for the appropriation of funds and encourages the seeking of additional funds from all other sources, federal, state, local and private, to carry out the mandate. The Utah mandate requires that the state board of education be advocates of the free enterprise system and that they employ competent teachers sufficiently familiar with the system to become its advocate. Separate from its mandate, the Florida Legislature provides funding to help support the Florida Council for Economic Education.

Table 3
CONTENT ANALYSIS OF LEGISLATIVE ACTS REQUIRING ECONOMIC OR FREE ENTERPRISE INSTRUCTION

CONTENT	ALABAMA	ARIZONA	CALIFORNIA	CONNECTICUT	DELAWARE	FLORIDA	LOUISIANA	MISSISSIPPI	NORTH CAROLINA	OKLAHOMA	SOUTH DAKOTA	TENNESSEE	TEXAS	UTAH
Free Enterprise Mandate	*	*			*	*	*		*		*	*		*
Economic Education Mandate			*	*				*		*			*	
Consumer Education Mandate					*	*						*		
Contained Within Other Legislation			*	*	*				*					
Provides for a Separate Course		*					*					*		
Provides for Infusion	*		*	*	*	*		*	*	*	*		*	
Role of State Board/State Department of Education: Prescribe a Course of Study	*	*					*				*	*	*	*
Prescribe Materials		*					*					*	*	*
Defines Free Enterprise	*	*					*					*		
Defines Economic Education								*		*			*	
States a Purpose	*							*		*			*	
Includes Pre-Service Training								*		*			*	
Includes In-Service Training							*	*		*			*	
Includes Economic Education Centers								*		*			*	
Provides for Funds										*			*	
Includes a Timeline for Implementation							*	*		*			*	
Requires an Annual Report to the Legislature						*	*			*			*	
Provides for Evaluation								*		*			*	
Contains a Waiver							*					*		
Requires Advocacy of the Free Enterprise System	*													*
Anti-Communism Instruction	*													

CONTENT ANALYSIS OF STATE FRAMEWORKS, COURSES OF STUDY AND COMPETENCY STATEMENTS

The research found that only three states (Florida, North Carolina and Texas) have state-wide competency statements for economic literacy. And of these, Texas' competencies are only suggested. Tennessee and Georgia are now in the process of developing competencies. Oregon, Virginia and Wyoming require that competencies for economics be developed by the local school districts. Idaho has identified competencies to act as a guide for its consumer education mandate.

Since there are not enough competencies, as such, to come to a consensus on what states typically consider to be competency in economics, no table was formulated. As an alternative, Table 4 lists the economic concepts most frequently found in thirteen selected state frameworks documents, courses of study, and in competency statements for economic education. The Table provides an indication of what the state departments of education consider to be important concepts in economics. The basics of the free enterprise system and the concept of supply and demand are found in all the documents surveyed. Other concepts frequently included are scarcity, government regulation, inflation, taxes, economic growth, government spending and production.

Table 4

ECONOMIC CONCEPTS MOST FREQUENTLY FOUND IN THIRTEEN SELECTED STATE FRAMEWORKS, COMPETENCY STATEMENTS AND COURSES OF STUDY

Economic Concept	Frequency	Economic Concept	Frequency
Supply and Demand	13	International Trade	8
Basics of the Free Enterprise System	13	Labor Organizations	8
Scarcity	12	Economic Stability	8
Government Regulation	12	Competition	7
Inflation	11	Profit Motive	7
Taxes	11	Interdependence	7
Economic Growth	11	Interrelationship Between Resources	7
Government Spending	11	Role of Money	7
Production	11	Exchange Transactions	7
Tradition, Command and Market Economic Systems	10	Income Distribution	7
Investment	9	Monetary Policy	7
Specialization	9	Fiscal Policy	7
Role of Price	9	Consumption	6
Consumer Decision-Making	9	Price Determination	6
Organization of Business	8	Capitalism vs Communism	6
Savings	8		

States represented: Arizona, California, Florida, Georgia, Louisiana, Maryland, Mississippi, Missouri, North Carolina, South Carolina, South Dakota, Texas and Utah

SUMMARY OF FINDINGS

This project involved a complete survey of the various states to determine the existence and content of state mandates and competencies as they relate to economic literacy. The findings of this research are as follows:

1. Twenty-four states have a mandate requiring economics instruction of some kind.
2. Mandates for economics instruction originate from either state legislatures or state boards of education.
3. Eighteen states have a legislative mandate, and seven states have a state board mandate requiring economics instruction. Alabama has both types.
4. Mandates may be classified as a free enterprise, an economic education, or a consumer education mandate. Four states use a combination of these types.
5. Twelve states have a free enterprise mandate, ten an economic education mandate, and seven a consumer education mandate. Alabama and Georgia have both a free enterprise and economic education mandate. Delaware, Florida and Tennessee have a combined free enterprise and consumer education mandate.
6. Seven states (Alabama, Arizona, Georgia, Louisiana, Oregon, South Carolina and Tennessee) have a separate course in economics for graduation from high school. The course usually is one-half unit and given in grade eleven or twelve.
7. Seven states have competencies for economic literacy, and two states are in the process of developing such competencies.
8. Mandates for economics instruction tend to be the result of the cooperative efforts of the business community, state boards of education, and state legislatures.
9. "Push factors" toward additional mandates include the current interest in economics as expressed in the media, the activity of business groups lobbying for mandates in economics education, and the competency based education movement.
10. "Pull factors" working against additional mandates include a historical opposition to state mandates of any kind, strong local autonomy by school districts in many states, opposition from other social science disciplines, and the lack of funds to implement and monitor a mandate.
11. Mandates for economic instruction are most common in the south and least prevalent in the northeast and midwest.
12. Legislative mandates vary from specific pieces of legislation designed to require economic instruction to statements contained within other legislation.
13. Within legislative mandates the free enterprise system typically is defined as "an economic system characterized by private and corporate ownership of capital goods, by investments that are determined by private decision rather than by state control, and by prices, production, and the distribution of goods that are determined in a free manner."
14. Typically, economics education mandates call for a positive understanding of the American economic system and how the individual can function effectively within our economy as a consumer, worker and voter.
15. Only Florida, North Carolina and Texas currently have state-wide competency statements for economic literacy.
16. An analysis of thirteen state frameworks, courses of study, and competency statements indicated thirty-one economic concepts most frequently presented. (See Table 4)

APPENDIX : Sample Legislative Mandates

Florida

233.0641 Free enterprise and consumer education program.—

(1) This section may be known and cited as the "Free Enterprise and Consumer Education Act."

(2) The public schools shall each conduct a free enterprise and consumer education program in which each student shall participate.

(3) Acknowledging that the free enterprise or competitive economic system exists as the prevailing economic system in the United States, the program shall provide detailed instruction in the day-to-day consumer activities of our society, which instruction may include, but not be limited to, advertising, appliances, banking, budgeting, credit, governmental agencies, guarantees and warranties, home and apartment rental and ownership, insurance, law, medicine, motor vehicles, professional services, savings, securities, and taxes. The program shall provide a full explanation of the factors governing the free enterprise system and the forces influencing production, distribution, and consumption of goods and services. It shall provide an orientation in other economic systems.

(4) In developing the consumer education program, the Department of Education shall give special emphasis to:

(a) Coordinating the efforts of the various disciplines within the educational system and the activities of the divisions of the Department of Education which are concerned with consumer education.

(b) Assembling, developing, and distributing instructional materials for use in consumer education.

(c) Coordinating and assisting the efforts of private organizations and other governmental agencies which are concerned with consumer education.

(5) The Commissioner of Education shall, at least 30 days prior to the 1975 session of the Legislature, transmit to members of the State Board of Education, the President of the Senate, the Speaker of the House of Representatives, and the chairmen of the Senate and House Committees on Education a statement of the overall free enterprise and consumer program, together with a recommended method of evaluating student understanding of the program. Each year thereafter the commissioner shall transmit to the above-named persons an appraisal of the overall consumer education program as to the effectiveness as shown by performance-based tests, efficiency, and utilization of resources, including therewith a statement of the overall consumer education program for the coming fiscal year and any other recommendations deemed by the commissioner to be appropriate.

Louisiana

AN ACT

To amend Title 17 of the Louisiana Revised Statutes of 1950 by adding

thereto a new section to be designated as Section 274 thereof, relative to required courses of study in public high schools, to provide that all public high schools shall give instruction in the essentials and benefits of the free enterprise system and by adding thereto a new Section to be designated as Section 274.1 thereof relative to a required course in civics, to prescribe the duties of the State Board of Elementary and Secondary Education, the State Department of Education and the various local school boards of the state with regard to such program, and otherwise to generally and specifically provide with respect thereto.

Be it enacted by the Legislature of Louisiana:

Section 1. Sections 274 and 274.1 of Title 17 of the Louisiana Revised Statutes of 1950 are hereby enacted to read as follows:

274. Essentials and benefits of free enterprise system; required course

A. All public high schools shall give instruction on the essentials and benefits of the free enterprise system in which each student shall participate as a prerequisite to graduation, beginning with students who graduate during or after the 1977–1978 school session. Instruction shall be given in accordance with the course of study prescribed by the State Board of Elementary and Secondary Education for at least one semester or quarter, equal to one-half unit of credit. The State Board of Elementary and Secondary Education shall prescribe suitable teaching materials for the instruction.

B. As used in this Section "free enterprise" means an economic system characterized by private or corporate ownership of capital goods, by investments that are determined by private decision rather than state control and by prices, production, and the distribution of goods that are determined in a free manner. Instruction required herewith shall emphasize the positive values of profit and competition in a free economy and the enhancement of the worth and dignity of the individual under such a system.

C. The State Board of Elementary and Secondary Education shall adopt regulations to insure instruction required herewith is given to all pupils in all public high schools and local boards of education of every city, parish and school district of this state shall schedule such instruction in accordance with said regulations of the State Board of Elementary and Secondary Education. Inservice training programs shall be provided each year by the State Department of Education to assist teachers who give instruction on the free enterprise system.

D. The State Department of Education shall, at least thirty days prior to each regular session of the legislature subsequent to the effective date of this Section, transmit to the members of the State Board of Elementary and Secondary Education, the president of the Senate, the speaker of the House of Representatives and the chairmen of the Senate and House Education Committees, a report as to the status of the free enterprise education program together with any recommendations for further improvement or additional legislation needed.

274.1 Civics; required course

All public high schools shall give instruction in a course in civics as a prerequisite to graduation, beginning with students who graduate during or after the 1977–1978 school session. Instruction shall be given in accordance with the course of study prescribed by the State Board of Elementary and Secondary Education for at least two semesters, equal to one unit of credit. The State Board of Elementary and Secondary Education shall prescribe suitable teaching materials for the instruction.

Section 2. If any provision or item of this Act or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications of this Act which can be given effect without the invalid provisions, items or applications, and to this end the provisions of the Act are hereby declared severable.

Section 3. All laws or parts of laws in conflict herewith are hereby repealed.

Oklahoma

Engrossed Senate Bill No. 499

AN ACT RELATING TO EDUCATION; CREATING THE ECONOMIC EDUCATION ACT OF 1974; DEFINING TERMS; STATING PURPOSE; PRESCRIBING DUTIES OF THE STATE BOARD OF EDUCATION, THE BOARDS OF EDUCATION OF SCHOOL DISTRICTS AND INSTITUTIONS OF HIGHER EDUCATION; ESTABLISHING TIME SCHEDULE; ALLOWING FOR USE OF AVAILABLE FUNDS; REQUIRING REPORTS; AND DECLARING AN EMERGENCY.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. This act shall be known and may be cited as the "Economic Education Act of 1974."

SECTION 2. As used in this act, the term "economic education" means citizenship competencies needed by the individual for effectively performing his decision-making roles as a consumer, a worker making career choices and a (political) voter on personal and societal economic issues.

SECTION 3. The purpose of this act is to insure the development of a comprehensive economic education program for all children in kindergarten and grades 1 through 12 in the public schools of this state. It is the legislative intent that this program shall teach a positive understanding of the American economy, how it functions and how the individual can function effectively within our economy as a consumer, worker and voter. While dealing with economic problems and issues, the program shall teach the positive values of profit and competition in a basically free-enterprise economy which underscores the worth and dignity of the individual.

SECTION 4. The State Department of Education shall administer the comprehensive Economic Education Act of 1974 pursuant to regulations adopted by the State Board of Education. Support shall be provided by the state senior colleges and universities in the preservice preparation of teachers to carry out the provisions of this act. These institutions of higher education are also encouraged to establish formal Economic Education Centers to assist the common schools with curriculum planning, in-service training and further work in the development of instructional materials. In administering this section, the Department shall take into consideration the advice of the Oklahoma Council on Economic Education.

SECTION 5. In administering this act, the State Board of Education and the State Department of Education shall be governed by the following:

1. Implement in-service education programs for teachers, administrators and other personnel. General guidelines are provided by the Economic Education Curriculum Guide—K–12, published by the Oklahoma State Department of Education in 1972. Supplementary in-service teacher education materials which are based on individual performance and designed for use with a minimum of supervision shall be developed and made available to all school districts;

2. Implement provisions of this act in the most expeditious manner possible, commensurate with the availability of teaching personnel;

3. Implement local school system evaluation of the effectiveness of the economic education program prescribed by this act; and

4. Recommend degree programs and short course seminars for the preparation of economic education teaching personnel.

SECTION 6. The State Board of Education shall adopt regulations to insure the teaching of economic education to all pupils. The Board of Education of every school district of this state shall schedule the integration of economic education in social studies, business education, home economics and the other vocational courses as part of the curriculum of every elementary and junior and senior high school, on a minimum time schedule of kindergarten through grade 3 by the 1975–76 school year; grades 4 through 6 by the 1976–77 school year; grades 7 through 9 by the 1977–78 school year; and grades 10 through 12 by the 1978–79 school year.

SECTION 7. In implementing this act every effort shall be made to combine funds appropriated for this purpose with funds available from all other sources, federal, state, local or private, in order to achieve maximum benefits for improving economic education.

SECTION 8. The State Department of Education shall, at least thirty (30) days prior to the 1975 regular session of the Legislature and each regular session thereafter, transmit to the members of the State Board of Education, the President Pro Tempore of the Senate, the Speaker of the House of Representatives and the chairmen of the Senate and House Education Committees, a report as to the status of the economic education program together with any recommendations for further improvement, modification or additional legislation.

SECTION 9. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 13th day of March, 1974.

(Robert M. Murphy)
(Acting) President of the Senate

Passed the House of Representatives (as amended) the *15th* day of *April*, 1974.

(Wm. P. Willis)
Speaker of the House of Representatives

(Emergency passed the House of Representatives the 17th day of April, 1974)